

## HOME BUILDERS & REMODELERS ASSOCIATION OF CONNECTICUT, INC.

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## Housing Committee Public Hearing Testimony February 2, 2023

To: Chairmen Rep. Luxenberg, Sen. Moore, Ranking Members Rep. Polletta,

Sen. Sampson, and distinguished Members of the Housing Committee

From: Jim Perras, CEO

**Regarding: HB 6590:** An Act Concerning Certain Protections for Group and Family Homes.

(Oppose)

SB 939: An Act Concerning Property Tax Abatement for Certain First-Time Home

Buyers. (Support)

SB 942: An Act Concerning Rental Application Fees. (Oppose)

SB 943: An Act Concerning the Return of Security Deposits Upon the Termination of

Tenancy. (Oppose)

The Home Builders and Remodelers Association of Connecticut (HBRA-CT) is a professional trade association with almost nine hundred business members statewide, employing tens of thousands of Connecticut residents. Our association of small businesses consists of residential and commercial builders, land developers, remodelers, general contractors, subcontractors, suppliers and those businesses and professionals that provide services to our diverse industry. We build between 70% to 80% of all new homes and apartments in Connecticut each year and engage in countless home remodeling projects.

The HBRA-CT asks the Committee to reject House Bill 6590 An Act Concerning Protections for Group and Family Child Care Home. If enacted, HB 6509 would further erode a landlord's property rights by limiting his or her ability prohibit or limit a rental unit's use as a child care home. The HBRA-CT appreciates the intent of this legislation and understands the need of accessible and affordable child care as an integral need to encourage workforce development and a healthy economy. However, HB 6590 is not the right way to achieve these goals. Beyond the real probability of negatively impacting the quiet enjoyment of adjoining neighbors in multifamily units this legislation also exposes landlords to additional liability should injuries and damages occur in common areas. The additional costs associated with housing a family child care home will be passed on in the form of higher rents to other tenants further exacerbating housing affordability and accessibility

issues in the state of Connecticut. As such, the HBRA-CT respectfully requests that the Committee reject HB 6590.

The HBRA-CT respectfully urges the Committee to pass SB 939: And Act Concerning Property Tax Abatement for Certain First-Time Home Buyer. If it becomes law, SB 939 would allow towns to abate up to five hundred dollars per assessment year for property taxes for first-time homebuyers that obtain a loan via CHFA. Connecticut is currently experiencing some of the lowest first-time homebuyer rates in the country while simultaneously seeing trends of outward migration. SB 939 make good economic sense as it incentives Connecticut's younger residences to establish even stronger roots through homeownership. By doing so, SB 939 would also help to alleviate pressures in the rental market by promoting greater fluidity and ease demand on supply. For these reasons and more, the HBRA-CT strongly supports SB 939 and urges its passage.

The HBRA-CT respectfully urges the Committee to reject SB 942: An Act Concerning Rental Application Fees. As written, SB 942 would curtail a landlord's ability to charge a tenant for screenings. While the HBRA-CT appreciates the intent of this bill, it is concerned with the potential for unintended consequences.

Concerns include unnecessary exposure to liability for unsuspecting landlords in instances where a prospective tenant forges the result of a report, enters into a lease agreement, and goes on to cause harm to persons or property. Additional concerns include the provisions the restrict collection of payment for a screening after it has been provided to the prospective tenant and the likelihood that non-payment will result in instances where an individual is the subject of a negative report. Lastly, SB 942 limits the amount a landlord can charge for a screening report to the actual cost of the report but the bill does not take into account costs incurred by the landlord to have employees take the time to process the reports. For all these reasons, the HBRA-CT respectfully requests that the Committee reject SB 942.

The HBRA-CT respectfully urges the Committee to reject SB 943: An Act Concerning the Return of Security Deposits Upon the Termination of Tenancy. If SB 943 became law, it would amend existing statutes to require landlords to return any unused security deposit no later than 10 days after termination of tenancy instead of 30 days as is currently required. It can be a challenge for contractors to determine the cost of damage and whether something can be repaired or must be replaced in such a short grace period. Requiring such a short turnaround may have the opposite effect of causing a landlord to be more aggressive in his or her estimation of damage to mitigate against not having sufficient funds to repair or replace in worst case scenarios. For these reasons, the HBRA-CT respectfully requests the Committee rejects SB 943.

Thank you, for the opportunity to provide testimony on HB 6590, SB 939, SB 942, and SB 943.